

# Budget Work Session Fiscal Year 2016-2017

June 14, 2016

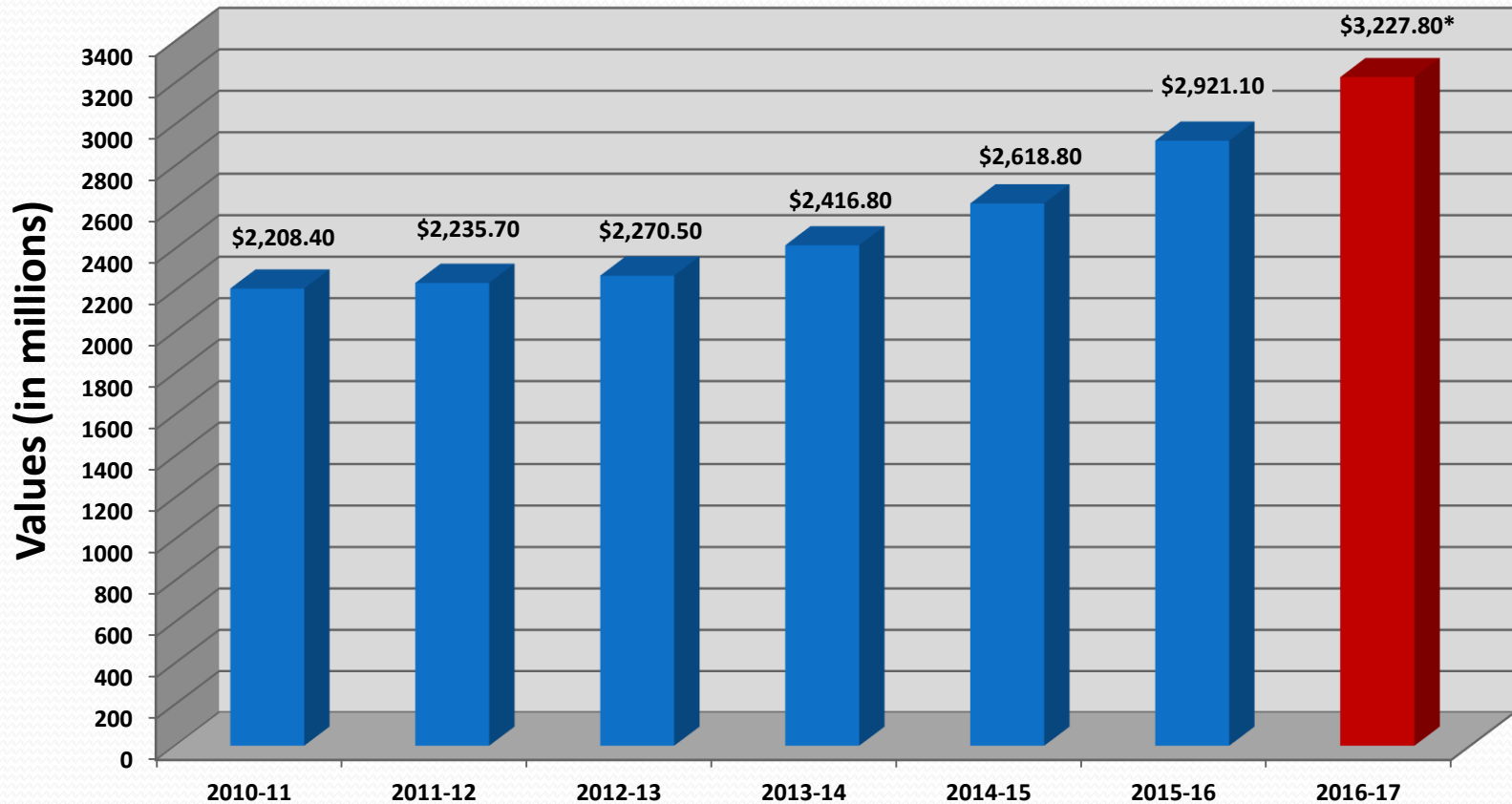
# Budget Work Session Agenda

- Presentation of FY 2016-2017 Budget Workshop
- General Discussions

# Assumptions Affecting FY 2016-2017 Budget

- Property Value is estimated to increase by 10.5% for budget purposes.
- Sales Tax is projected to increase 5% over revised FY 2016 estimates for FY 2017.
- Home Starts are projected to remain at 350.
- Estimated 10% increase in health insurance costs **included**.
- Public Safety FY 2016-2017 step increase (based on existing salary schedule) **included**.
- Market Survey Adjustments (effective Oct '16) estimated cost to the General Fund of \$1,014,000 **not included**.
- Merit Increases projected at an average 3% for non-sworn personnel (effective Jan '17) estimated cost to the General Fund of \$206,000 **not included**.

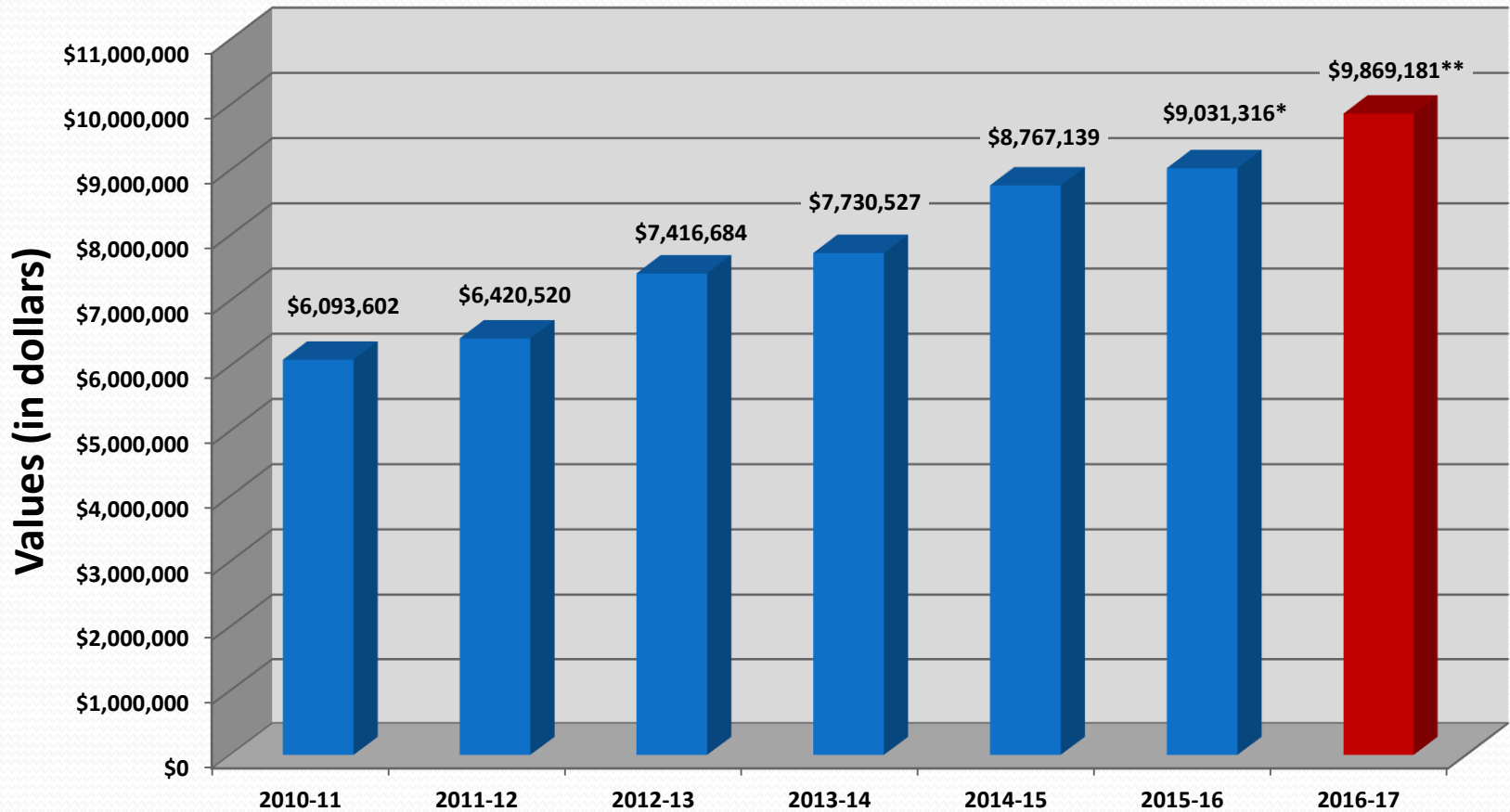
# Assessed Property Valuations



Average Single Family Home Value for FY 2016-2017 is: \$202,000

\* Certified preliminary assessed property valuation.

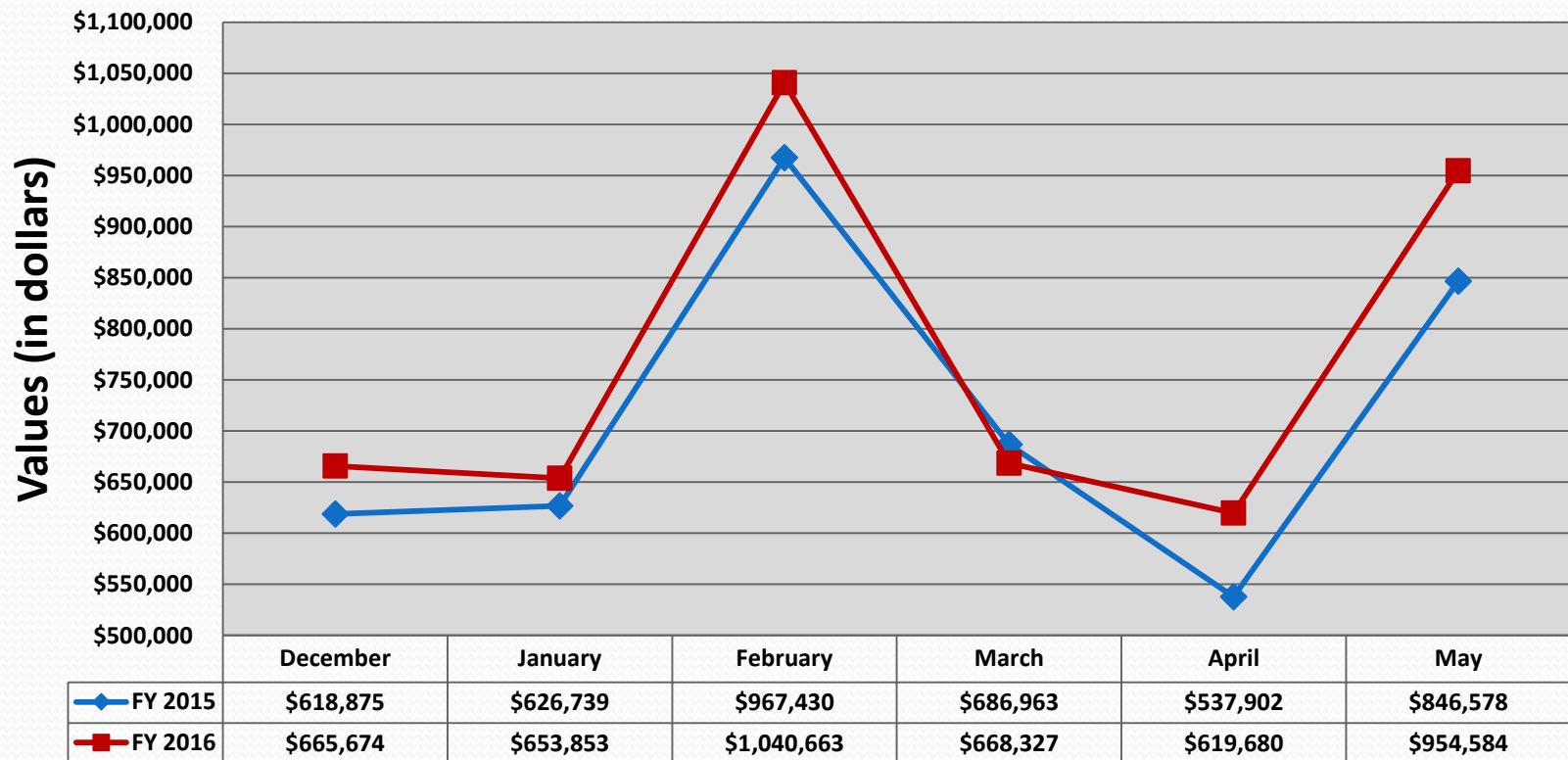
# Total Annual Sales Tax Receipts



\* Based on FY 2015-2016 budget

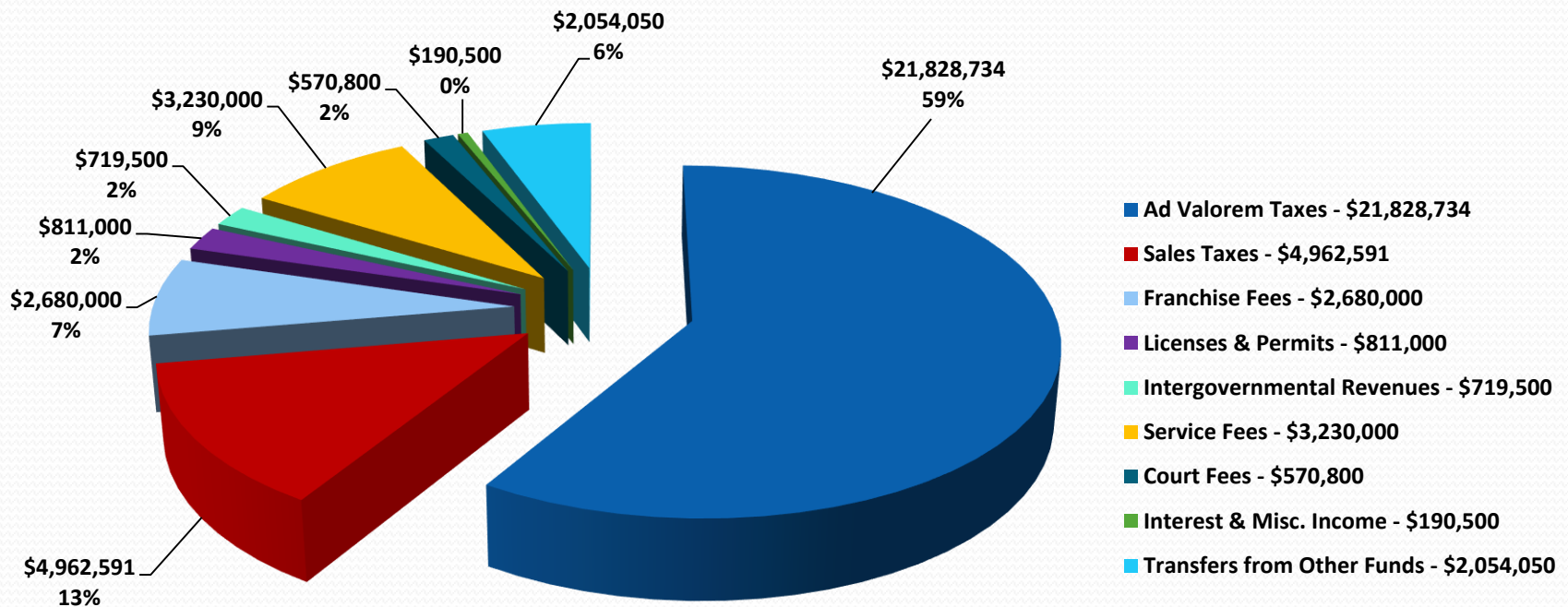
\*\* Based on 5% increase over revised estimated FY 15-16 budget

# Total Sales Tax Revenue Year-Over-Year Comparison



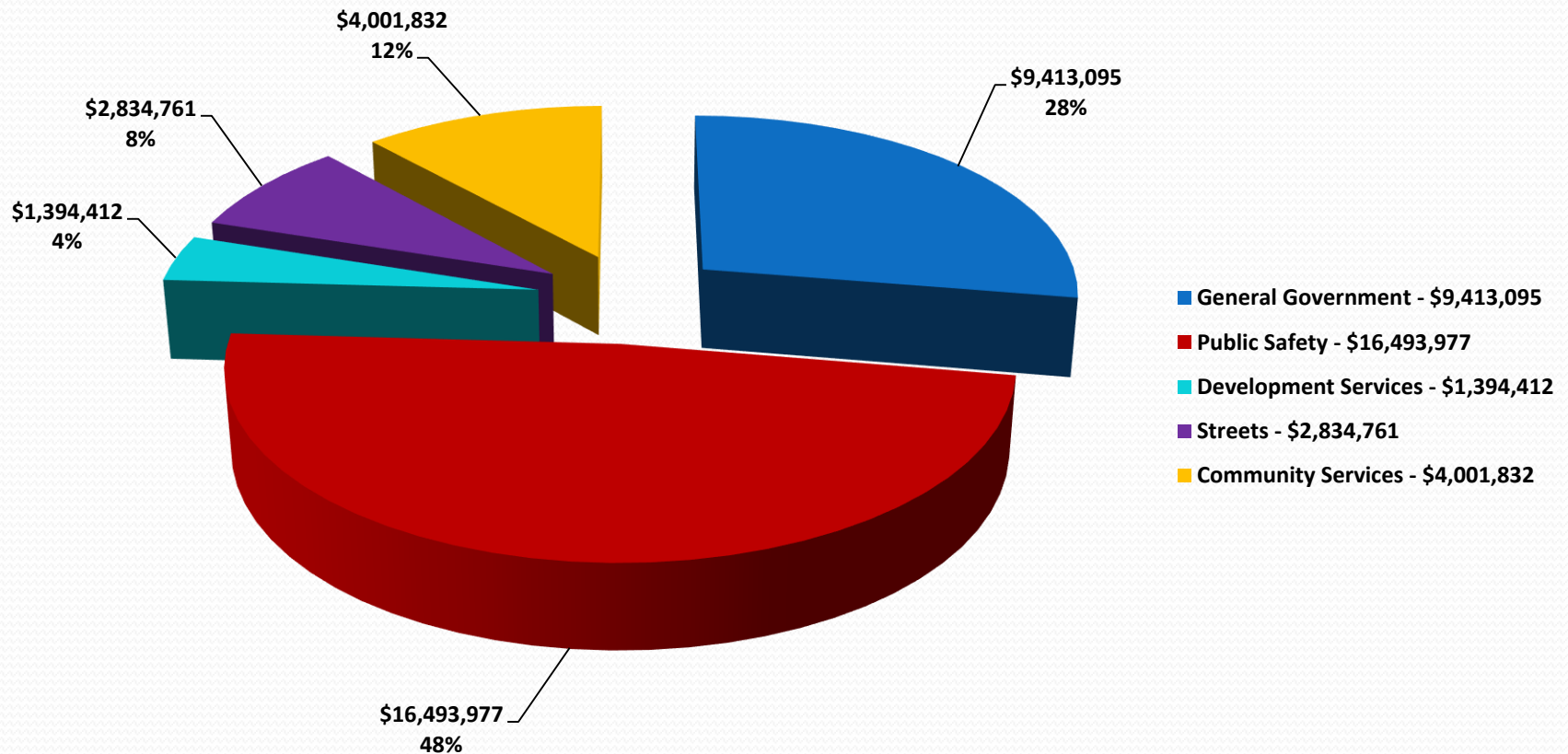
# General Fund Projected Revenues

## FY 2016-2017 - \$37,047,175



# General Fund Expenditures By Function

## FY 2016-2017 - \$34,138,077





# General Fund Balance Excess FY 2016-2017

Revenue	\$37,047,175 (a)
Less Expenditures	\$34,138,077 (b)
	<hr/>
	<b>\$2,909,098</b>

## New FY 2017 Requests

Personnel Requests (27 positions) (incl. salary & benefits)	\$1,120,726
Equipment Associated with Personnel Requests	\$18,413
Non-Personnel	\$2,935,155 (c)
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Total of New Requests	\$4,074,294

- (a) Based on 10.5% increase in assessed values & current tax rate.
- (b) Includes FY 2016-17 Step Increases for Public Safety (based on current salary schedule). Includes 10% estimated increase in health insurance (\$224k increase to GF).
- (c) Includes upgraded communications system for Public Safety (@ \$1.2m) and a replacement Quint for WFR (@ \$891k).

# General Fund Estimated Balance FY 2016-2017

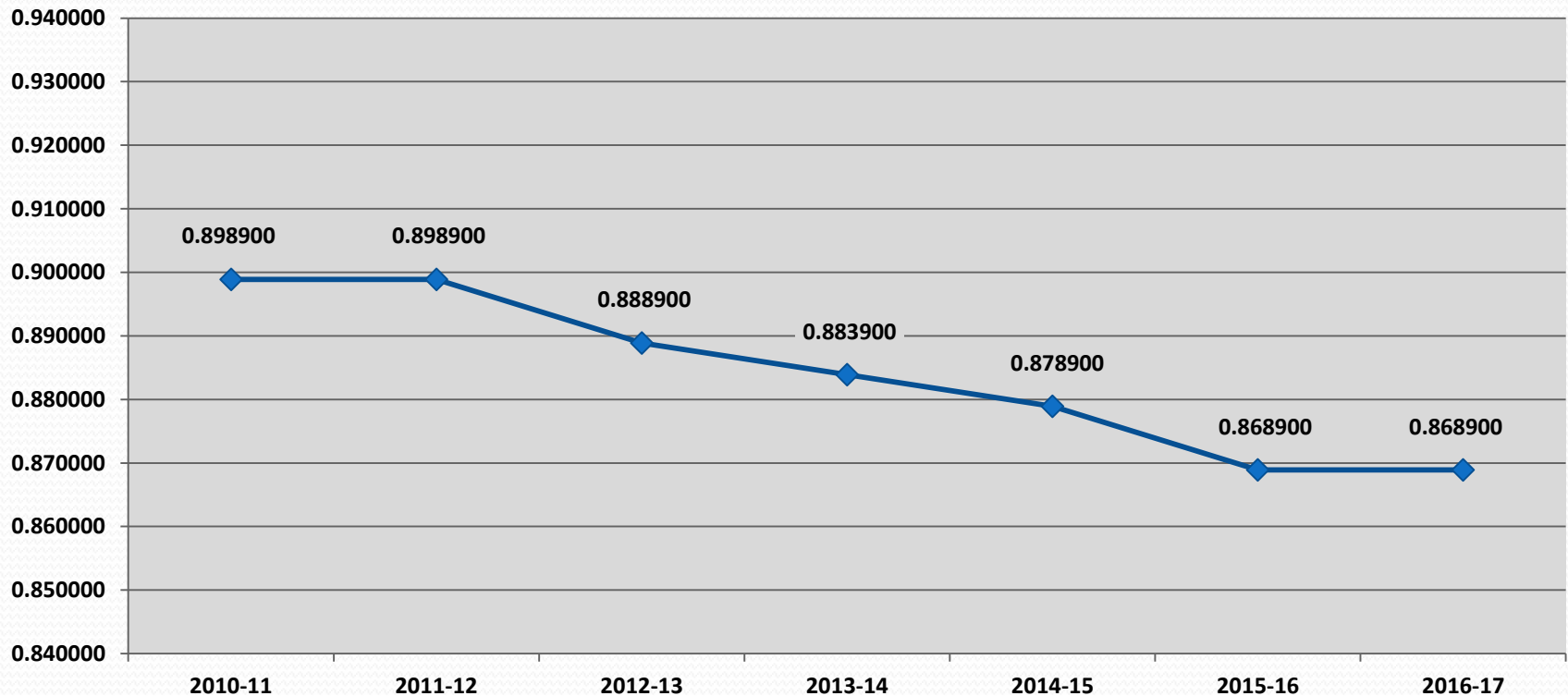
## **GF Fund Balance Estimate:**

Required based on estimated exp. in 2017

Goal: 25%	\$9,261,794 (a)
Est. 09/30/2016	\$11,902,676
Est. 09/30/2017	\$11,902,676 (b)
Excess Fund Balance	\$2,640,882

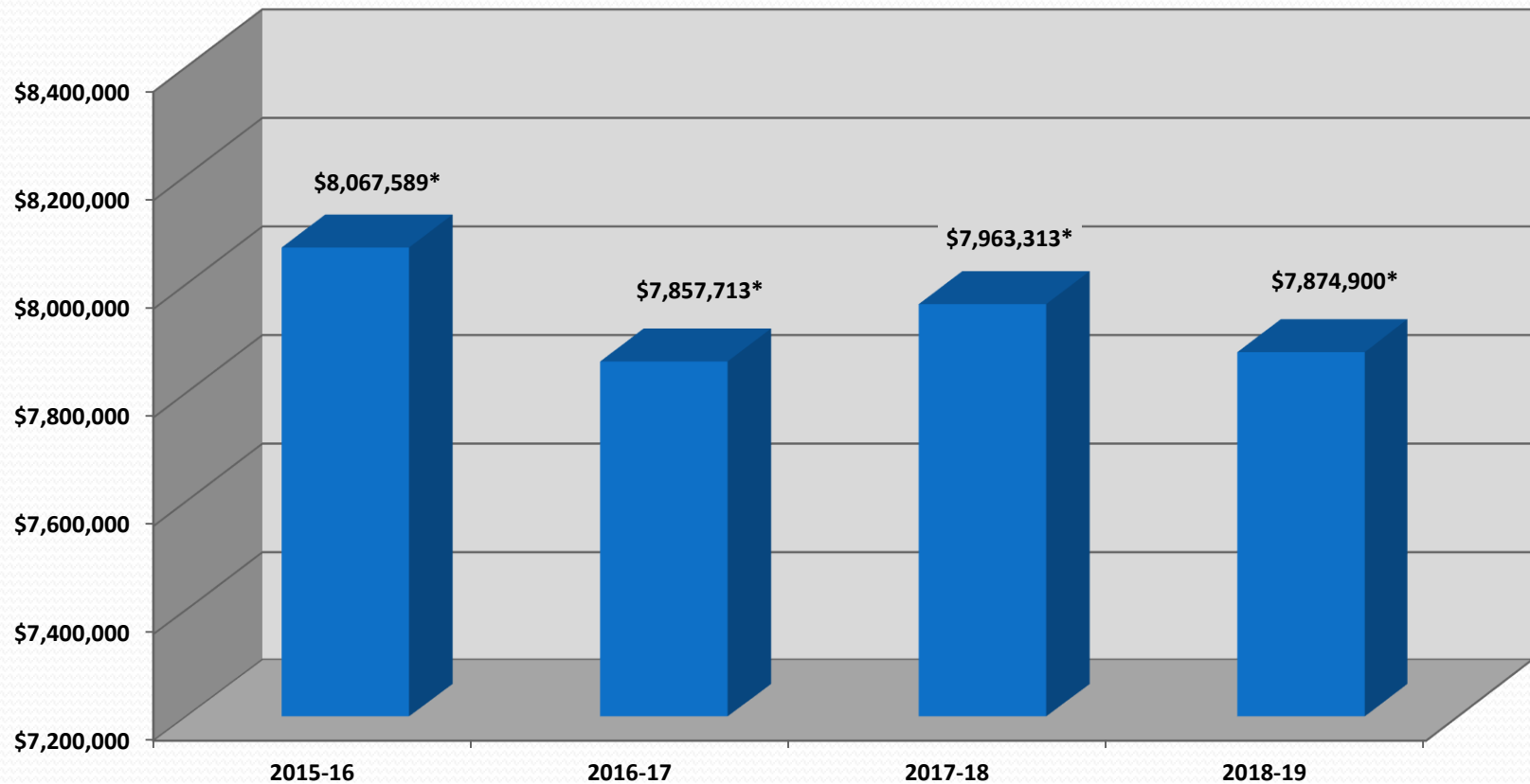
- (a) It is the goal of the City to achieve and maintain an unassigned fund balance in the General Fund equal to 25% of expenditures. The City considers a balance of less than 20% to be cause for concern, barring unusual or deliberate circumstances. If unassigned fund balance falls below the goal or has a deficiency, the City will appropriate funds in future budgets to replenish the fund balance based on a time table deemed adequate by the City Council.
- (b) Based on balanced budget (Revenues = Expenditures). This Fund Balance is 32% of expenditures.

# Tax Rate Information



\* A ½ cent difference in tax rate equals \$161,400 in property tax revenue to the City & a \$10.10 difference in annual property taxes paid on a home with an average value of \$202,000.

# Debt Service Expenditures



\* Based on current debt schedules with no additional debt issued.

# FY 2016-2017 Recommended Key Budget Points

- No new requests included at this time.
- Funding **is** included for Public Safety step increases (based on existing salary schedule).
- Est. health insurance increase of 10% **is** included in base budget.
- Funding **is not** included for market survey adjustments (\$1.014m).
- Funding **is not** included for average 3% merit-based increase for non-sworn personnel (\$206k).
- Update on Hail Storm Damage Issues.

# Questions?

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